

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of	)	
	)	MUR 5247
North Carolina Republican	)	
Executive Committee	)	
Steven Long, as Treasurer	)	

**CONCILIATION AGREEMENT**

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe that the North Carolina Republican Executive Committee and Steven Long, as Treasurer ("Respondents"), violated 2 U.S.C. § 441a(f), 11 C.F.R. § 102.17(c)(1) and 11 C.F.R. § 102.17(c)(2).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered into pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. North Carolina Republican Executive Committee is a political committee within the meaning of 2 U.S.C. § 431(4).

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2. Steven Long is the Treasurer of North Carolina Republican Executive Committee.

3. No person shall make contributions to a state party committee in any calendar year which, in the aggregate, exceed \$5,000. 2 U.S.C. § 441a(a)(1)(C). No multicandidate political committee shall make contributions to any other political committee in any calendar year which, in the aggregate, exceed \$5,000. 2 U.S.C. § 441a(a)(2)(C).

4. Pursuant to 2 U.S.C. § 441a(f), no political committee shall knowingly accept any contribution in violation of the provisions of 2 U.S.C. § 441a.

5. Pursuant to 11 C.F.R. § 102.17(c)(1), the participants in a joint fundraising activity shall enter into a written agreement that identifies the fundraising representative and states a formula for the allocation of fundraising proceeds. Further, the fundraising representative shall retain the written agreement for a period of three years and shall make it available to the Commission upon request.

6. Pursuant to 11 C.F.R. § 102.17(c)(2), a joint fundraising notice shall be included with every solicitation for contributions.

7. Respondents accepted contributions from 18 individuals and two political action committees that exceeded the applicable contribution limitation by a total of \$133,166.

8. Respondents transferred \$104,250 of the excessive contributions to its non-federal account more than 60 days from the date Respondents received the excessive contributions. Respondents also refunded to contributors the remaining \$28,916. However, the refunds also did not occur until after the 60-day time period within which to resolve excessive contributions had expired.

9. Respondents failed to enter into a written joint fundraising agreement identifying the fundraising representative and stating a formula for the allocation of the joint fundraising

proceeds, failed to retain the written agreement for a period of three years and failed to make it available to the Commission upon request.

10. Respondents failed to include a joint fundraising notice with every solicitation for contributions for the North Carolina Victory Fund joint fundraising event held on August 29, 1998.

11. Respondents contend that they did not attempt to conceal the acceptance of excessive contributions and that the fact they reported the excessive contributions supports their contention that they did not understand the contributions to be excessive. Respondents also contend that they fully cooperated with the Commission during its audit and that they transferred the excessive contributions to the non-federal account and refunded excessive contributions to contributors with the advice and direction of Commission staff.

V. Respondents accepted a total of \$133,166 in excessive contributions in violation of 2 U.S.C. § 441a(f).

VI. Respondents failed to enter into a written joint fundraising agreement identifying the fundraising representative and stating a formula for the allocation of fundraising proceeds, failed to retain the written agreement for a period of three years and failed to make the agreement available to the Commission upon request in violation of 11 C.F.R. § 102.17(c)(1).

VII. Respondents failed to include a fundraising notice with every solicitation for contributions for the North Carolina Victory Fund joint fundraising event in violation of 11 C.F.R. § 102.17(c)(2).

VIII. Respondents will pay a civil penalty to the Federal Election Commission in the amount of twenty thousand dollars (\$20,000), pursuant to 2 U.S.C. § 437g(a)(5)(A), with

\$10,000 due within 30 days and the balance of \$10,000 due 60 days of both parties signing this agreement.

IX. Respondents will cease and desist from violating 2 U.S.C. § 441a(f), 11 C.F.R. § 102.17(c)(1), and 11 C.F.R. § 102.17(c)(2) in the future.

X. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

XI. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.

XII. Except as provided for in Paragraph VIII of this agreement, Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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XIII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:


Lawrence H. Norton  
General Counsel

BY:

  
\_\_\_\_\_  
Gregory K. Baker  
Acting Associate General Counsel

  
\_\_\_\_\_  
Date

FOR THE RESPONDENTS:

  
\_\_\_\_\_  
Steven Long  
Treasurer

  
\_\_\_\_\_  
Date